

State of New Mexico

Office of the Governor

Bill Richardson
Governor

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GOVERNOR BILL RICHARDSON CREATES GOVERNOR'S FINANCE COUNCIL AS PART OF "INVEST NEW MEXICO" INITIATIVE

SANTA FE - Governor Bill Richardson signed an executive order today creating the Governor's Finance Council. The Council, made up the representatives from key state departments, agencies and finance boards, will oversee all state investments.

The Governor's Finance Council will include:

1. Dave Contarino, Governor's Chief of Staff (Co-chair)
2. David Harris, Executive Director of the New Mexico Finance Authority (Co-chair)
3. Steve Flance, Chairman of the New Mexico Finance Authority
4. James Jimenez, Secretary of the Department of Finance and Administration
5. Jan Goodwin, Secretary of the Taxation and Revenue Department
6. Paul Blanchard, a Board member of the Board of Finance, as selected by the Governor
7. Mark Valdez, Director of the Board of Finance
8. Lt. Gov. Diane Denish, Chairwoman of the New Mexico Mortgage Finance Authority
9. Jim Stretz, Director of the New Mexico Mortgage Finance Authority
10. Gary Bland, Director of the State Investment Office
11. Rick Homans, Secretary of the Economic Development Department
12. Rhonda Faught, Secretary of the Department of Transportation

Governor Bill Richardson gave the following remarks during a news conference:

"Invest New Mexico" remarks

During my inauguration last January, I talked about developing a partnership for the long haul - a partnership that would require everyone in state government to work together to create a high-wage economy.

I promised to invest in classrooms, so kids have the best learning environment. I promised to invest in securing our water resources, so communities and our state can know with certainty how and where they can grow. I pledged to enhance our road and transportation system. And I promised to expand home ownership opportunities so New Mexicans have more money to spend.

Whether from outside or from homegrown visionaries, ground-up business development must be encouraged and nurtured by state policy.

Today, I am making good on those promises. I am signing an executive order creating the Governor's Finance Council, a body that is charged with developing an overall strategic plan for financing future state investments and long-term debt obligations.

Our state is blessed with nearly 10-billion dollars in permanent-fund money and 1-billion dollars a year generated from bonds. For the money that is invested in New Mexico, we need a coordinated effort to maximize their contribution to the state's long-term growth and prosperity.

The problem is: State agencies and finance entities all operate independently with no regard for the specific commitments I made to the people of New Mexico - on water, on transportation, on economic development and growing a high-wage economy. I'm afraid the right hand doesn't know what the left hand is doing.

That's going to change -- starting today. I am crafting that strategy through this new Finance Council, which will be co-chaired by Dave Contarino, my chief of staff, and David Harris, the executive director of the New Mexico Finance Authority. The Lieutenant Governor will also sit on the Council. She will represent the New Mexico Mortgage Finance Authority.

The Council will have representation from key state departments and agencies - Economic Development, Finance and Administration, Taxation and Revenue, Transportation, the Board of Finance and the State Investment Council. Representatives from important quasi-state agencies - including the chairman of the New Mexico Finance Authority and the director of the New Mexico Mortgage Finance Authority -- will also sit on the Governor's Finance Council.

The Council will:

- **NUMBER ONE**, develop an overall strategic plan for financing future investments and long-term debt obligations. For example, with the bond market so soft right now, I think now is the right time to take a fresh look at our highway bonding program. Working with the Highway Commission, the Governor's Finance Council will review and approve any debt issuance for the Transportation Department.
- **NUMBER TWO**, formulate a comprehensive program that considers the financing of school construction, water projects, affordable housing and local economic development initiatives.
- **NUMBER THREE**, advise me on ways of managing the capital outlay process. The Council will take input from the Legislature to develop a sensible long-term approach.
- **NUMBER FOUR**, study ways to change state law to further streamline the way we invest state money.

This is an exciting initiative. It seems so logical, yet nobody has ever taken a step back and figured out exactly how we're investing the state's money.

While the primary purpose of our state's permanent funds must always be to provide financial security for future generations, we must also invest them where fiscally prudent to create jobs and diversify our economy. This Finance Council will help me safeguard the public's money.

By taking this step, I hope to send a signal that New Mexico is serious about business and willing to put our money where our recruitment is.

Now, the Lieutenant Governor, who also sits on this new council, will say a few words.

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